

EXHIBIT C-5

LOCKBOX 922 PROCESSING SPECIFICATIONS

A. Overview.

Approximately 7,000 renewal invoices are processed annually for the renewal of appointments for producers and service representatives, and the renewal of licenses for business entities, adjusters, title agents, and surplus line brokers. These renewals are only processed between October 1 and February 15 of each year. This volume is expected to remain steady from year to year. The amount of fees collected in FY 2003 was approximately \$3 million, and the same or a small increase is anticipated in FY 2004. Applicants are instructed to mail their renewal forms and payment to the lockbox address. Some applicants may send their filings via courier express if they feel it will expedite the renewal process. The Respondent must provide for both types of delivery; remittances must be quickly routed to the proper lockbox processing assignment area. As the recipient of mail, the Respondent is responsible for returning all certified mail return cards to the originator. Return receipt cards should not be left attached to envelopes or included in items forwarded to DOI.

B. Processing Standards.

The Bank shall:

1. Collect mail ... [same as in Exhibit C-1]
2. Process remittances ... [same as in Exhibit C-1]
3. Verify checks/application forms for the proper information:
 - a. Dollar amount
 - Should the amount of the check not agree with the amount shown on the invoice, the amount of the check is to be utilized and the remittance processed to completion if the funds equal or exceed the amount shown on the invoice. The amount of the check must then be written and circled on the invoice.
 - Should any checks still be in question, the remittance should be halted, and the remittance(s) and invoice(s) forwarded under separate cover to the department.
 - Verify the amount of the check is equal to or greater than the fee listed on the invoice. Verify late fees are included, if the deadline for on time renewal has elapsed.
 - Accept only the forms that are attached in Appendix A.
 - b. Date: [same as in Exhibit C-3]
 - c. Acceptable payee [same as in Exhibit C-1]
 - d. Blank Payee [same as in Exhibit C-1]
 - e. No check enclosed [same as in Exhibit C-3]
 - f. Foreign Check [same as in Exhibit C-1]
 - g. Signature Missing [same as in Exhibit C-1]
4. Properly endorse ... [same as in Exhibit C-1]
5. Batch checks ... [same as in Exhibit C-1]

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6. Capture all data listed in the Data Capture Summary (Appendix A) and include it in daily transmissions of transactions processed utilizing the format detailed in the Data Transmission Format and File Layout Summary (Appendix B).

NOTE: If only one check is received that covers multiple renewals, each renewal must be **listed individually** and indicate an amount for each additional renewal form in the group. The check must equal the total amount of the renewals.

7. Forward to the department at the address listed below all turnaround material via courier for delivery to the Department by 10:00 AM the next business day. This packet of material must include:

- Renewal invoices
- Reports containing data captured from renewal invoices in accordance with Item 7 above.
- Lockbox edit listing
- Deposit ticket photocopies
- All items that cannot be processed (with explanations)
- In addition, this daily envelope will contain:
 - Miscellaneous exception items, such as envelopes that have unidentified checks or no checks at all. These exception items must be kept separate from the other material, but they may be in the same envelope.

NOTE: All items processed after the lockbox edit list and electronic file cutoff time must be included in the next day's deposit. Only items listed on the lockbox edit list and included in the electronic file will be batched and mailed to the department in the current day material envelope.

9. Notify the Department ... [same as in Exhibit C-3]

10. Process return checks ... [same as in Exhibit C-3]

11. Reconcile ... [same as in Exhibit C-3]

12. Provide a daily report summarized by form number. Each form number list should be presented separately and in alphabetical order with a total at the end. An additional report should present the total of all the form number lists processed, the number of transactions of each form type, and the amount of each to arrive at the sum deposited for the day.

DELIVER TO: Department of Insurance
201 Monroe St, Suite 1700
Montgomery, AL 36104

APPENDIX A

Data capture summary

Attached are copies of all renewal forms to be processed using lockbox services. The data that must be captured from each of these filings is highlighted blue.

1. 2004 Annual Business Entity Producer License Renewal Form
2. 2004 Annual Business Entity Producer License Renewal Form (Second Notice)
3. 2004 Annual Business Entity Producer License Supplemental Renewal Form
4. 2004 Annual Surplus Line Broker License Renewal Form
5. 2004 Appointment Continuation Invoice
6. 2004 Annual Adjuster Renewal Form
7. 2004 Annual Adjuster Supplemental Renewal Form
8. 2004 Title Agent Continuation Invoice

Note: These forms will be modified in some manner each year. The 2004 forms are representative of the type and layout of forms that will be used.

APPENDIX B

Data Transmission Format and File Layout Summary

The following transmission format and file layout must be used to transit all data captured.

Note: Deviations from the below described transmission format and file layout are not permitted.

Transmission format

A daily transmission must be made using one of the transmission methods listed below.

1. A secure File Transfer Protocol (FTP) to a Transmission Control Protocol (TCP) or Internet Protocol (IP)
2. Via twisted pair telephone line and modem utilizing some form of security software, e.g., Crosstalk 3.01

File Layout Box 922

File: Variable Record Length
Data Type: Text
Delimiter: Semi-colon

COLNAMEHEADER=FALSE
FORMAT=DELIMITED(;
DATETIMEFORMAT=MMDDYYYY
COL1=UNKNOWN TEXT
COL2=SSNFEIN TEXT
COL3=NAME TEXT
COL4=LICENSETYPE TEXT
COL5=LICENSENUMBER TEXT
COL6=AMOUNTDUE TEXT
COL7=CHECKAMOUNT TEXT
COL8=PROCESSDATE DATETIME